

Attachment I
Appendix A - Environmental

The following recommended options are available to applicants (recipients) who are requesting funds from both state and federal agencies or from multiple federal agencies.

HUD regulation 24 CFR 58 allows "recipients" (i.e. applicants) that are units of general local government. States or Indian tribes to complete the federal environmental review for compliance with NEPA and related federal laws. Applicants with special purpose powers (e.g. housing authorities, water districts. etc.) must request the unit of local government, or the State to complete the environmental review on their behalf. For HUD Community Development Block Grant Programs the term applicant, recipient and "responsible entity" all mean the same. If the recipient completes the environmental review process and it includes the items in the attached "Multi-Agency CEQA/NEPA Processing Checklist" (Attachment 3) the environmental review document will also meet the requirements of both HUD and USDA Rural Development.

The following Option 1 or Option 2 should be used when a CEQA Environmental Impact Report (EIR) and a NEPA environmental assessment are both required. Option 3 is applicable when a project requires a CEQA Categorical Exemption, a NEPA Categorical Exclusion, or a NEPA Environmental Impact Statement. Remember, the objective is to minimize duplication of paperwork, effort, delays and public notices.

Option 1 -- Preparation of a joint CEQA and NEPA document.

This is the preferred environmental processing option, since it will minimize duplication of effort for the applicant, state and federal agencies.

A joint CEQA and NEPA document is appropriate if a project requires compliance with both CEQA and NEPA, but a NEPA Environmental Assessment can not be prepared before a CEQA EIR is required by the CEQA Lead Agency.

Applicants are encouraged to utilize Article 14 of the State CEQA Guidelines which allows the use of jointly prepared CEQA and NEPA environmental documents. This environmental document must include direct involvement and signature approval by the lead federal agency for the federal agencies to be able to utilize this jointly prepared CEQA and NEPA document. This combined CEQA/NEPA environmental document needs to include a separate discussion of mitigation measures, must address growth inducing impacts, and be circulated as broadly as required by CEQA.

The following "Multi-agency CEQA/NEPA Processing Checklist" items should be addressed in the combined environmental document.

All participating federal agencies will endeavor to adopt the lead federal agency's environmental document.

Option 2 -- A NEPA document is prepared to meet both NEPA and CEQA requirements.

This option will also will minimize duplication of effort for the applicant. state and federal agencies. However, it is recognized that it may not always be practical due to the fact that the NEPA process or CEQA process may have started, coordination problems with other agencies. or changes in the proposed source of funding.

This option is possible when a project requires compliance with both NEPA and CEQA, and the NEPA Finding Of No Significant Impact (FONSI) can and will be prepared before the required completion date for the CEQA EIR as determined by the CEQA Lead Agency.

Applicants are encouraged to utilize Article 14 of the State CEQA Guidelines which allows a NEPA environmental document to be used as the CEQA document. The NEPA document must, have a separate discussion of migration measures and address-growth inducing impacts, and be circulated as broadly as required by CEQA. The NEPA document will be prepared to address the following "Multi-agency CEQA/NEPA Processing Checklist" items.

Federal agencies will endeavor to adopt the lead federal agency's environmental document.

Option 3 - The CEQA and NEPA processes are each done completely separate.

This option can be used when the CEQA and NEPA processes cannot be done concurrently. In this case the CEQA Lead Agency will complete the CEQA process and the applicant will provide the federally requested environmental information to the lead federal agency for the completion of the NEPA process. The lead federal agency will utilize to the extent possible the information contained in the CEQA document.

Other federal agencies will endeavor to adopt the lead federal agency's environmental document.

This option can also result in a reduction of duplication of effort by the applicant, state and federal agencies if existing available environmental information is shared. This is especially true if an EIR is available for use during the preparation of the NEPA environmental assessment.